Ontario

The Honourable
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MINISTER OF FINANCE

Building Ontario for You

2024 ONTARIO ECONOMIC OUTLOOK AND FISCAL REVIEW

Statement

Check Against Delivery

Thank you very much, Mr. Speaker.

On behalf of Premier Ford and our entire government, it is my honour today to present to you Ontario's *2024 Fall Economic Statement*.

As you are aware, this statement traditionally serves as an update on the financial projections of the previous spring's budget.

And – on this count – I am pleased to say, the news is good. More on that in a moment.

But just as importantly, this statement also serves as an opportunity for our government to lead with real action that will help the people of Ontario.

Despite the progress we have made as a government over the past six years, the province is still facing enormous challenges, from historic population growth and geopolitical uncertainty, to the persistently high cost of living.

But thanks to the efforts of Ontario workers and businesses…

…helped by real leadership from a government with a long-term plan that is working...

…we can afford to enhance our plan to build so that we can meet these problems head on.

Today, we are in a position to do more.
Build more.
And put more money back in the pockets of Ontario taxpayers.

Here's why.

Ontario's finances are in better shape today than they have been in decades.

As the President of the Treasury Board and I detailed in last month's *Public Accounts,* the previous fiscal year's deficit was reduced to just $0.6 billion. Less than half of what was projected in the *2023 Budget*.

Earlier this year, Ontario received a credit rating upgrade – reversing a trend of downgrades under the previous government.

Today's *Fall Economic Statement* further confirms that we have a sustainable fiscal framework. We have slashed our deficits and are confident we will balance the budget by 2026–27.

Now, this lower deficit came thanks to a number of different factors, including higher revenues, increased household spending, and of course – lower interest on debt.

In fact, our interest on debt relative to revenues is currently at its lowest level since the 1980s.

And our debt-to- GDP ratio, which is a measure of our fiscal health, remains at the best level it's been in a decade.

This is very good news for Ontario taxpayers.

And in practical terms, it means that when the province needs to borrow, we can do it at a lower cost.

In fact, Ontario now has the lowest borrowing costs of any province in Canada.

Mr. Speaker, we've reduced those interest costs so much, and we have saved taxpayers $1.2 billion, that we are now able to reinvest back into our economy as well as our people.

Now…I know members are eager to hear about how we will be investing this dividend…and more on that in a moment…

But first, I want to highlight that getting to this point is the result of strong fiscal management – and getting to this point was not easy nor was it automatic.

Because once upon a time, Ontario had a government that made very different choices.

Let's dare to compare the Ontario of today, to the Ontario we inherited.

All you have to do is tell me if something is GOOD or BAD.

Let's start with a simple one…

Under the previous government, 300,000 manufacturing jobs were lost in the province. Red tape held back investment, energy costs soared and fees and taxes on businesses were high.

Tell me, is that GOOD or BAD?

Now let's compare: Our government has cut red tape, helping to save families, businesses and the broader economy over $1 billion…and Ontario has also attracted $44 billion in auto and EV-related investments over the past four years that will help create over 14,000 jobs.

How about that? Is that GOOD or BAD?

Others champion decisions that lead to higher gas prices and higher cost of groceries and other goods across the province.

So, tell me – is this GOOD or BAD?

As for us – we've temporarily cut the Gas Tax by 5.7 cents per litre, and I am proud to announce we will once again be seeking to extend this gas tax cut until June 2025.

I think we can agree, that's GOOD.

Or tolls. The opposition support road tolls, Mr. Speaker. They tolled the 412 and 418.

How does that sound? BAD.

Well, we eliminated the tolls on the 412 and 418 – and will be banning any new tolls on provincial highways – including the Gardiner and DVP in the future.

And let me answer this one on behalf of the residents of Durham – that is very GOOD, indeed.

The previous government increased user fees. Aviation fuel. Beer. Wine. Driver's licences. Mr. Speaker – they made life more expensive for everyone – BAD.

We've eliminated licence plate stickers and renewal fees. Introduced One Fare for GTA transit riders, frozen tuition fees, frozen park fees and have returned $9 billion back into the pockets of individuals and families.

Mr. Speaker, you know, and I know, and all the members know that this is very, very GOOD.

We choose action. We choose to dream big and swing big. We choose to get it done. We will never accept decline. We choose to say "yes."

And today, our commitment to affordability continues.

Ontarians, like all Canadians, are grappling with the aftermath of an inflation and interest rate crisis that left record numbers of Canadians needing food banks and the dream of homeownership out of reach of our youth.

And while we can be grateful that inflation is finally receding – I will remind members that this does not mean prices are actually dropping – just that after two years of brutal increases, they are no longer rising as fast as they once were.

People still need relief.

And while we didn't cause this crisis – make no mistake – the Premier, I and our entire government are determined to do something about it.

Now there are only a certain number of levers that a provincial government can pull to address the national or global issues like inflation or interest rates.

But we do have some options. With our new, stronger fiscal position, we can now afford to provide real relief to families to help them in this time of challenge.

And we know that people aren't looking for some money back in time for next year's taxes.

Frankly, Mr. Speaker, that's too late.

They need real support, and they need it NOW.

That's why our government is moving forward to provide an extraordinary rebate of $200 to every eligible family in Ontario who files a tax return for last year.

If you file your return, you'll get your rebate.

In addition, recognizing that families with children have even more pronounced needs, we are committed to providing an additional $200 rebate per child under the age of 18.

That means a family of five would receive $1,000.

I'm under no illusions that this would relieve all of the affordability pressures facing an eligible Ontario family.

But it would help.
It's real support.
It is being delivered urgently.
And – most importantly – it allows the people of Ontario, and no one else, to choose how this money can best help them as we come out of this together.

Mr. Speaker, our stronger fiscal position also allows us to continue to invest more in building a stronger economy.

For our plan very much remains a plan to BUILD.

Earlier this spring, Mr. Speaker, I think we were all excited to be part of Honda's historic $15 billion investment in our EV supply chain – a truly generational investment.

This builds on the billions of investments that have come before – whether Stellantis in Windsor, Volkswagen in St. Thomas, Goodyear in Napanee or countless others.

Investments like these are what help us rebuild Ontario's economy and create more jobs…

Investments that we very much plan to continue attracting…

As the one-stop shop for those looking to start or grow a business in our province, Invest Ontario has already helped attract over $4 billion in investments that are expected to create over 4,000 jobs.

So, to keep that momentum going, we're allocating an additional $100 million to the Invest Ontario Fund to secure more strategic investments in key industries, such as advanced manufacturing, technology and life sciences!

Did you know, Mr. Speaker, that Ontario is actually the largest life sciences hub anywhere in Canada? That's yet another sector ripe with opportunity for growth.

Opportunity that we're seizing – through the next phase in our government's Life Sciences Strategy, which invests $146 million to help fuel growth in the entire sector, and our entire economy.

Mr. Speaker, economic growth is happening everywhere…from East to West, and from South to North…

As a matter of fact, we are the first government to make steady progress in working with Northern Ontario First Nations to unlock the awesome potential of the critical minerals in the Ring of Fire, so that Canada and other countries are no longer left at the mercy of the hostile, unfriendly, or unstable nations that have cornered so much of this market.

We are doing more to power this economic renewal with new sources of energy.

Today, under the leadership of the Minister of Energy and Electrification, we are pursuing the largest energy procurement in the history of Ontario and leaving nothing off the table: nuclear, hydro, renewables, natural gas, biomass…including the long-term refurbishment of the Pickering Generating Station.

No matter what kind of energy you are into, if you can build it urgently, safely, and affordably, Ontario wants to be part of it.

Mr. Speaker, Ontario's economy needs to keep growing and our energy supply needs to keep growing, because our population continues to keep growing.

And this growing population, often driven by federal policies that make little sense, has put incredible strains on our housing, health care, our highways and our transit system.

That is why our plan is also a plan to keep building the infrastructure we need.

In last spring's budget, I announced a suite of new investments in housing-enabling infrastructure, to accelerate the new housing investments that our province needs.

And this fall, we are taking the next step, by continuing to invest in the roads, highways and transit we need to get Ontario drivers out of gridlock and back to their homes.

Mr. Speaker, the Toronto Region Board of Trade has estimated that the cost of traffic congestion in the GTA alone is $11 billion a year.

That is a staggering number.

But look inside that number. How many millions of hours does that mean a worker is away from the worksite, or, worse still, a parent is away from their child?

How much does the price of goods or groceries go up to account for the cost and the time they're stranded on the back of some 18-wheeler for hours and hours and hours?

Missed appointments. Missed family events. Fatigue. Exhaustion. This is the consequence of other governments just letting the traffic crisis build.

Now, Mr. Speaker, if the worst I could say is that others chose to do nothing, it would be bad enough.

But that's not the worst of it. Others are choosing to make the problem even worse, by further congesting our streets by ripping up roadways to build some almost empty bike lanes.

With cities like Toronto accounting for around half of Ontario's entire GDP, why clog up the arteries of our province's biggest economic engine?

Now, Mr. Speaker, I like bikes and I like cyclists. It's healthy and … if it can get you where you're going, great. But an ideological push to tear up our roads for bike lanes has left thousands of our neighbours stuck trying to squeeze through narrower streets at a time when traffic density is skyrocketing.

Let's name the problems when we see them, Mr. Speaker. Others waged what former Toronto Mayor Rob Ford called the "War on Cars"…and, more importantly, quality of life of the people who need to drive in order to live their lives.

That's why we're retroactively putting in place new rules that will require municipalities to seek provincial approval before ever installing a bike lane that would reduce traffic.

And Mr. Speaker, we're going to build. We are going to Get. It. Done.

- The 413
- The Bradford Bypass
- The 401 West
- The QEW Skyway
- Highway 7 from Pickering to Markham
- The new Highway 7 between Kitchener and Guelph
- Widening Highway 3
- Expanding Highway 11/17
- And – now – a new feasibility study to relieve the most gridlocked highway in North America by building a tunnel under the 401.

We will leave no stone unturned to help Ontario drivers get out of gridlock and get back home.

And on transit.

- The Ontario Line
- Two-way, all-day GO
- The expanded Milton GO Line
- Expanded GO between Union and Niagara
- Extending the Hazel McCallion LRT to include the Mississauga loop and extension into Brampton
- The Finch West LRT
- The Yonge North Subway extension
- And the construction work for relaunching the Northlander.

The list goes on and on.

A list that, of course, wouldn't be complete without our government's unprecedented investments in our health care sector.

While our spring budget included record investments to build, expand and upgrade more hospitals, and grow the pool of available medical professionals needed to staff them, we know more can always be done to build healthier communities.

That's why this fall, we're extending the Learn and Stay Grant to help encourage medical students in Ontario to work as family doctors in any community across Ontario.

And we're making changes that put our residents first when they apply to medical schools here in Ontario.

Because the more doctors who <u>come from</u> here, the more likely they are to <u>stay</u> here.

While we lead Canada in the number of doctors per person, there is more work to do.

That is why we have appointed Dr. Jane Philpott to lead our new primary care action team!

We are building healthier communities because we want to build healthier families, Mr. Speaker…

But we recognize that sometimes, many families face unique challenges on their journey to parenthood.

Barriers to entry, such as high costs and long waitlists, keep many families from accessing helpful fertility programs to kickstart their journey to parenthood.

But things don't have to be that way.

That's why we're moving forward with an investment of an additional $150 million over two years to expand the Ontario Fertility Program – and help more Ontarians realize their dream of having children of their own!

We are also continuing to make long-term capital investments in the health care sector and transforming primary care.

But Mr. Speaker, building is hard work. You need a lot to make it happen.

You need money. And we're investing…

We're leveraging the most ambitious capital plan in provincial history, with over $190 billion invested over 10 years so that future generations have strong infrastructure to grow and prosper.

And over the next two years, we're increasing the Ontario Municipal Partnership Fund by $100 million, to help predominantly small, rural and Northern municipalities meet the needs of their communities.

You need the will to see big projects through – and we're getting it done.

But you also need the workers.

And so, when we think about Building Ontario, our government thinks about workers and what we can do to make their jobs better, safer, more productive, and more lucrative.

We think about workers a lot. We think about the continuing skilled trades shortage, and how we can help more people earn paycheques in these rewarding careers.

Just last month, our government announced $26 million for a new LiUNA training facility in Vaughan – the latest example of investments through the $224 million Skills Development Fund Capital Stream.

And that doesn't include our additional investment of up to $260 million in the latest round of the Skills Development Fund Training Stream that will add onto the nearly 600,000 workers we've already trained!

Our government has now introduced five "Working for Workers" bills designed to provide safer, fairer, more accessible and more rewarding options for Ontario workers.

And Mr. Speaker, one of the most important things we can do for all workers – and all Ontario families, quite frankly – is ensure they can live and work in safe neighbourhoods free from harassment and crime.

Something has changed in Canada, Mr. Speaker. I think we can all feel it.

Auto thefts.
Violent crime – including violence against police officers.
A rash of hate crimes against schools and synagogues.
And an epidemic of illegal drug use – including the opioid crisis – has left too many people living in fear within their own homes.

The response from others has been to turn a blind eye to these problems.

If they will not lead, we will.

Premier Ford is continuing to lead national calls for the federal government to stop dragging its feet on bail reform that will keep violent offenders out of neighbourhoods and behind bars.

And we are investing in new tools to combat the scourge of gang violence and auto thefts that are terrifying our neighbourhoods.

And we will be shutting down – and banning – drug consumption sites from neighbourhoods close to schools and child care centres, similar to how we do not allow cannabis retail locations close to schools.

Mr. Speaker, let's keep the consumption of drugs away from our kids and get people the treatment and recovery they need.

Mr. Speaker, the thread connecting all our actions is clear.

This is a government that listens, and then acts.

We are a government that doesn't say "cannot" and instead asks "Why not?"

We're a government that will make tough choices with our budgets – to help Ontario families when the time comes to make difficult choices with their budgets.

This is what listening looks like.

This is what leadership looks like.

And that is what you can count on this Premier and this government to continue to do.

Thank you very much, Mr. Speaker.

Let's get building.